

Date: July 25, 2012

Richard Stapler (California): (916) 653-9402 Blake Androff (DOI): 202-208-6416

Jim Milbury (NOAA): 310-245-7114

Governor Brown and Obama Administration Outline Path Forward for Bay Delta Conservation Plan

California, Interior, NOAA Reaffirm commitment to comprehensive solution to California's water supplies and a healthy ecosystem

SACRAMENTO, CA – California Governor Edmund G. Brown Jr., Secretary of the Interior Ken Salazar, and National Oceanic and Atmospheric Administration (NOAA) Assistant Administrator for Fisheries Eric Schwaab today outlined revisions to the proposed Bay Delta Conservation Plan (BDCP) that, along with a full range of alternative proposals, will undergo a rigorous public environmental review in the coming months. In announcing the path forward for an enhanced BDCP process, the officials emphasized that California's water system is unsustainable from an environmental and economic perspective, and that the BDCP is a key part of a comprehensive solution to achieve the dual goals of a reliable water supply for California and a healthy California Bay Delta ecosystem that supports the State's economy.

Population growth, habitat loss and ongoing threats to levee stability and water supply have crippled the California Bay Delta, threatening the health and economies of California communities. The revised approach, which is grounded in science, is designed to help restore fish populations, protect water quality, and improve the reliability of water supplies for all water users who receive deliveries from state and federal projects. It improves on key aspects of previous proposals and offers a strong governance model, financing options, a scientific review process and a steadfast conservation foundation for a new water conveyance facility to move water and help restore the health of the ecosystem.

"A healthy Delta ecosystem and a reliable water supply are profoundly important to California's future," said Governor Brown. "This proposal balances the concerns of those who live and work in the Delta, those who rely on it for water and those who appreciate its beauty, fish, waterfowl and wildlife."

"As broken and outdated as California's water system is, we are also closer than ever to forging a lasting and sustainable solution that strengthens California's water security and restores the health of the Delta," said Secretary Salazar. "Through our joint federal-state partnership, and with science as our guide, we are a taking a comprehensive approach to tackling California's water problems when it comes to increasing efficiency and improving conservation. Today marks an important step forward in transforming a shared vision into a practical, effective solution. With California's water system at constant risk of failure, nobody can afford the dangers or costs of inaction."

"The status quo isn't working for fish, communities around or dependent upon the Bay Delta, economic development, or water resources management," said Dr. Jane Lubchenco, Under Secretary of Commerce for Oceans and Atmosphere and NOAA Administrator. "Our proposed changes to the BDCP reflect important improvements in shaping a comprehensive strategy to fix a broken system. Because this is a complicated issue

and we do not have all the answers today, we will continue to evaluate and refine the proposal. We call upon the many participants throughout California to join us in staying focused on science-based solutions."

The elements of a preferred proposal include the construction of water intake facilities with a total capacity of 9,000 cubic feet per second -- down from an earlier proposal of 15,000 cfs – operations of which would be phased in over several years and a conveyance designed to use gravity flow to maximize energy efficiency and to minimize environmental impact. Many other alternatives, including no conveyance facility, and facilities with capacities ranging from 3,000 to 15,000 cfs, will also be fully considered as part of the upcoming environmental review process.

Governor Brown and Secretary Salazar affirmed their commitment to continue working with water users, non-governmental organizations and local governments to achieve the co-equal goals in a manner that incentivizes reduced, efficient water use throughout California and that protects and enhances the unique cultural, recreational, natural resource, and agricultural values of the Delta.

Having identified the key elements of a proposal, the parties expect to issue a draft Bay Delta Conservation Plan and corresponding Environmental Impact Report/Environmental Impact Statement for public review this fall. In recognition that water supply reliability and affordability elements are vitally important to the public water agencies who are expected to pay for any proposed facilities, the state and federal agencies will work intensively with the public water agencies and other interested parties over the next 90 days to address these important questions. State and federal agencies will continue to refine the proposals announced today and will issue a major progress report after the completion of this initial work.

The proposal outlined today is based on shared objectives, including:

- Science: In order to determine the benefits of additional habitat and Delta outflow to fish, the State and U.S. governments are developing a process, including independent scientific review, to ensure that science is playing a neutral and informative role in determining a way forward for the BDCP. All parties, including water users, conservation groups and public agencies will be invited to fully participate in the process. Science will guide how to best restore the ecosystem and how much water can be exported.
- Conservation: The BDCP will contain biological goals and objectives to improve the status of a wide variety of listed species and species of concern under the Endangered Species Act, and will quickly implement new habitat projects in the Suisun Marsh and the Delta upon completion of appropriate environmental reviews.
- *Cooperation and Governance:* State and U.S. governments will work cooperatively with local water agencies, environmental organizations, and Delta governments and districts under a proposed governance structure to achieve an open, transparent, and inclusive process, allowing affected parties to play an appropriate role in the governance and implementation of the BDCP.
- *Finance:* State and U.S. governments are committed to the "user pay" principle, and the state and federal water contractors agree that the costs of the new water conveyance facility and associated mitigation of that facility will be paid through charges to the water users who would benefit from its development and operation. Habitat and other conservation measures in the BDCP would be financed in part by the contractors, but would mostly be paid by the state over a period of 40 years, with likely additional investment by the federal government through existing programs.
- Adaptive Management: The proposal reflects the shared commitment by state and U.S. governments to incorporate adaptive management to ensure flexibility as factors such as climate change, new invasive species, and unexpected prolonged drought continue to affect the biology and water supplies of the Delta.

- Sustaining Delta Communities: The State and U.S. governments recognize the need to preserve the unique communities and agricultural productivity of the Delta. State and federal agencies will continue investment in the Delta for flood protection, community development, and biological restoration.
- **Protecting Upstream Water Users:** State and U.S. governments will make sure implementation of BDCP will not result in adverse effects on the water rights of those in the watershed of the Delta, nor will it impose any obligations on water users upstream of the Delta to supplement flows in and through the Delta.
- Improved Water Management State-wide: State and U.S. governments will continue to explore new ways to satisfy competing water demands, including commitments to an Integrated Water Management approach, reducing water demand, increasing water supply, and improving efficiency of operations. The Metropolitan Water District of Southern California and the Santa Clara Valley Water District the two largest urban regional water agencies-- have committed to exceed the urban water savings target established in the 2009 Delta Reform Act by saving 700,000 acre-feet a year based on predicted future demands. This includes a commitment by Southern California to annually save more water through conservation and recycling than it receives, on average, from Northern California, as well as a commitment from the Santa Clara County Water District to meet Silicon Valley's future increases in demand through conservation and recycling. With respect to agricultural water use, the Bureau of Reclamation has worked with local water agencies to invest close to \$50 million over the last eight years in efficiency improvements in California. Reclamation is now partnering with the Natural Resources Conservation Service to provide funding for projects that improve water management and create new supplies for agricultural irrigation. In the last two years, approximately \$15 million in federal funding has been invested in this effort. The State of California has invested more than \$47 million in similar programs since 2001.

For more information on today's announcement, including a q&a document and information on how the proposal is expected to improve fish species, please visit: http://baydeltaconservationplan.com

Audio Recording of Joint Announcement

###